

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 8174

BILL NUMBER: HB 2021

DATE PREPARED: Mar 31, 1999

BILL AMENDED: Mar 29, 1999

SUBJECT: Motor vehicle inspection stations; Use of IDEM Funds.

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) (1) This bill applies air pollution control laws concerning motor vehicles emissions tests to certain motor vehicles. It allows certain inspection stations to inspect and certify motor vehicles. It describes circumstances under which the Department of Environmental Management may contract with a person to conduct emissions inspections. It repeals the expired provision that governed contracts for motor vehicles emission inspections and legalizes actions taken under the expired provision.

(2) It prohibits the Department of Environmental Management from using the money in a fund to pay for the expenses of administering another fund or for any other purpose other purpose than the specified purpose for which the fund was established. It requires the Department and the Environmental Quality Service Council to conduct a study to evaluate different approaches for determining the allocation of the costs of all Department-wide services and to make recommendations to the Legislative Council and the Budget Agency.

Effective Date: (Amended) June 30, 1998 (retroactive); Upon passage; July 1, 1999.

Explanation of State Expenditures: (Revised) (2) This provision provides that the expenses of administering an Indiana Department of Environmental Management (IDEM) dedicated fund may be paid only from money in the fund and that money in the fund may not be used to pay the expenses of administering another fund or for any purpose other than the specified purpose. IDEM has 11 dedicated funds.

Currently, the salary and expenses of each employee who provides agency-wide services are charged to only one fund. The fund that is charged is determined by estimating on which project or program the employee spends the bulk of his or her time. IDEM is considering a revision in how agency-wide services are allocated among funds.

This provision would require every employee who provides agency-wide services to track the amount of time

that is actually spent on each project or program. Managing this type of approach would increase IDEM's administrative expenses. This can be accomplished within the existing budget.

The bill requires IDEM and the Environmental Quality Service Council to conduct a study to evaluate different approaches for determining the allocation of the costs of all agency-wide services and to make recommendations to the Legislative Council and the Budget Agency.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Environmental Management; State Budget Agency; Legislative Services Agency.

Local Agencies Affected:

Information Sources: Erika Seydel Cheney, Indiana Department of Environmental Management, 232-8598; Carole Casto Brubaker, Indiana Department of Environmental Management, 233-6319.